

# COMMITTEE REPORT

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## MR. PRESIDENT:

The Senate Committee on Pensions and Labor, to which was referred House Bill No. 1043, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Page 1, delete lines 1 through 17.
- 2 Delete pages 2 through 3.
- 3 Page 4, delete lines 1 through 21.
- 4 Page 5, line 37, delete "seven" and insert "**six**".
- 5 Page 5, line 37, delete "(\$7,200)" and insert "(\$**6,200**)".
- 6 Page 6, line 3, delete "eight" and insert "**six**".
- 7 Page 6, line 3, delete "(\$8,600)" and insert "(\$**6,600**)".
- 8 Page 6, line 10, delete "ten" and insert "**seven**".
- 9 Page 6, line 11, delete "(\$10,000)" and insert "(\$**7,000**)".
- 10 Page 6, delete lines 13 through 42, begin a new paragraph and
- 11 insert:
- 12 "SECTION 2. IC 22-4-11-3 IS AMENDED TO READ AS
- 13 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 3. (a) Except as
- 14 provided in ~~section 3.1~~ **section 3.2** of this chapter, the applicable
- 15 schedule of rates for the calendar year 1983 and thereafter shall be
- 16 determined by the ratio resulting when the balance in the fund as of the
- 17 determination date is divided by the total payroll of all subject
- 18 employers for the immediately preceding calendar year. Schedule A,
- 19 B, C, or D, appearing on the line opposite the fund ratio in the schedule
- 20 below, shall be applicable in determining and assigning each
- 21 employer's contribution rate for the calendar year immediately

following the determination date. For the purposes of this subsection, "total payroll" means total remuneration reported by all contributing employers as required by this article and does not include the total payroll of any employer who elected to become liable for payments in lieu of contributions (as defined in IC 22-4-2-32). For the purposes of this subsection, "subject employers" means those employers who are subject to contribution.

#### FUND RATIO SCHEDULE

When the Fund Ratio Is:

	As Much As	But Less Than	Applicable Schedule
		1.0%	A
	1.0%	1.5%	B
	1.5%	2.25%	C
	2.25%		D

(b) If the conditions and requirements of section 2 of this chapter are met, the rate of contributions shall be determined and assigned, with respect to each calendar year, to employers whose accounts have a credit balance and who are eligible therefor according to each employer's credit reserve ratio. Each employer shall be assigned the contribution rate appearing in the applicable schedule A, B, C, or D on the line opposite his credit reserve ratio as set forth in the rate schedule below:

#### RATE SCHEDULE FOR ACCOUNTS WITH CREDIT BALANCES

When the Credit Reserve Ratio Is:

	As Much As	But Less Than	Rate Schedules (%)				
	As	Than	A	B	C	D	E
	3.0		1.2	0.2	0.2	0.2	<b>0.15</b>
	2.8	3.0	1.4	0.4	0.2	0.2	<b>0.15</b>
	2.6	2.8	1.6	0.6	0.2	0.2	<b>0.15</b>
	2.4	2.6	1.8	0.8	0.4	0.2	<b>0.2</b>
	2.2	2.4	2.0	1.0	0.6	0.2	<b>0.2</b>
	2.0	2.2	2.2	1.2	0.8	0.4	<b>0.4</b>
	1.8	2.0	2.4	1.4	1.0	0.6	<b>0.6</b>
	1.6	1.8	2.6	1.6	1.2	0.8	<b>0.8</b>
	1.4	1.6	2.8	1.8	1.4	1.0	<b>1.0</b>
	1.2	1.4	3.0	2.0	1.6	1.2	<b>1.2</b>
	1.0	1.2	3.2	2.2	1.8	1.4	<b>1.4</b>
	0.8	1.0	3.4	2.4	2.0	1.6	<b>1.6</b>
	0.6	0.8	3.6	2.6	2.2	1.8	<b>1.8</b>

1	0.4	0.6	3.8	2.8	2.4	2.0	<b>2.0</b>
2	0.2	0.4	4.0	3.0	2.6	2.2	<b>2.2</b>
3	0	0.2	4.2	3.2	2.8	2.4	<b>2.4</b>

(c) Each employer whose account as of any computation date occurring on and after June 30, 1984, shows a debit balance shall be assigned the rate of contributions appearing on the line opposite his debit ratio as set forth in the following rate schedule for accounts with debit balances:

RATE SCHEDULE FOR ACCOUNTS  
WITH DEBIT BALANCES

When the Debit Reserve Ratio Is:

As	But	Rate Schedules					
Much	Less	(%)					
As	Than	A	B	C	D	E	
	1.5	4.5	4.4	4.3	4.2	<b>3.6</b>	
1.5	3.0	4.8	4.7	4.6	4.5	<b>3.8</b>	
3.0	4.5	5.1	5.0	4.9	4.8	<b>4.1</b>	
4.5	6.0	5.4	5.3	5.2	5.1	<b>4.4</b>	
6.0		5.7	5.6	5.5	5.4	<b>5.4</b>	

(d) Any adjustment in the amount charged to any employer's experience account made subsequent to the assignment of rates of contributions for any calendar year shall not operate to alter the amount charged to the experience accounts of any other base-period employers.

SECTION 3. IC 22-4-11-3.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2000]: **Sec. 3.2. (a) For calendar years 2001 and 2002, all employers shall have a contribution rate as set forth in rate schedule E in section 3 of this chapter.**

**(b) This section expires January 1, 2003."**

Delete pages 7 through 19.

Renumber all SECTIONS consecutively.

(Reference is to HB 1043 as reprinted January 26, 2000.)

**and when so amended that said bill do pass.**

Committee Vote: Yeas 6, Nays 3.

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**Senator Harrison, Chairperson**